

TEACHERS' RETIREMENT BOARD
SUBCOMMITTEE ON CORPORATE GOVERNANCE

SUBJECT: Approval of Minutes of the November 3, 1999
Subcommittee on Corporate Governance, Open Session

ITEM NUMBER: 3

ATTACHMENT(S): 1

ACTION: X

DATE OF MEETING: January 5, 2000

INFORMATION:

PRESENTER(S): Chairperson

Proposed minutes of the Subcommittee on Corporate Governance meeting held in open session November 3, 1999 are submitted on the following pages.

**PROPOSED
MINUTES OF THE
SUBCOMMITTEE ON CORPORATE GOVERNANCE
OF THE
CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM
NOVEMBER 3, 1999
OPEN SESSION
ROBYN D. MILLER BOARD ROOM
7667 FOLSOM BOULEVARD
SACRAMENTO, CALIFORNIA**

SUBCOMMITTEE MEMBERS PRESENT

Phil Angelides, State Treasurer, Chairperson
Yvonne Gallegos Bodle
George Fenimore
Lillian Raffel
Emma Zink
Michael Foulkes, representing State Controller
Kathleen Connell
Curt Robinson, representing State Superintendent
of Public Instruction, Delaine Eastin
Annette Porini, representing State Director of Finance
Tim Gage

ALSO PRESENT

James Mosman, Chief Executive Officer
Patrick Mitchell, Chief Investment Officer
Elleen Okada, Director of Investment Admin. and External Relations
Chris Waddell, Chief Counsel
Jennifer Du Cray Morrill, Chief External Affairs Officer
Gary Lynes
Marty Mathiesen
Chris Drevalas, Treasury Program Manager
Ann Stausboll, General Counsel, State Treasurer's Office
Doug Wills, Staff Counsel
Janice Hester Amey, Corporate Affairs Advisors
Allan Emkin, Pension Consulting Alliance
Beverly Carlson, California Teachers' Association
Dorothy Moser, UTLA, Retired
Mary Ann Avansino, Administrative Assistant

A quorum being present, Chairperson Angelides called the open session meeting at 8:45 a.m.

- I. **ANNOUNCEMENTS** (Item 2)
There were no announcements.

II. **APPROVAL OF MINUTES OF THE OCTOBER 13, 1999 SUBCOMMITTEE ON CORPORATE GOVERNANCE, OPEN SESSION** (Item 3)

MOTION duly made by Ms. Porini, seconded by Ms. Raffel and carried to approve the minutes of the October 1, 1999 Subcommittee on Corporate Governance, Open Session as presented.

III. **CORPORATE GOVERNANCE WORKPLAN COMPANIES** (Item 4)

Ms. Okada and Ms. Hester Amey reviewed Attachment 1 which represented discussion companies with market values greater than \$2 million and discussion companies with market values greater than \$5 million in which CalSTRS holds greater than .50 of one percent of outstanding shares.

Ms. Zink arrived at the meeting at 8:50 a.m.

Ms. Okada and Ms. Hester Amey reviewed a proposed schedule of items for consideration by the Subcommittee at future meetings.

IV. **RESTITUTION – WORLD WAR II SLAVE AND FORCED LABOR VICTIMS** (Item 5)

Mr. Mitchell presented the written item. Chairperson Angelides reported on the Executive Monitoring Committee, of which he is a member, efforts to expedite restitution issues for Holocaust victims. Discussion ensued.

Mr. Fenimore arrived at 9:05 a.m.

MOTION duly made by Ms. Porini, seconded by Ms. Zink and carried to authorize staff to send the letter as recommended to the Companies identified in Attachment 1. Mr. Foulkes abstained.

Mr. Foulkes stated, for the record, that the Controller would like the Subcommittee to consider the direction and impact of this type of action that appears to be a change from the previous Corporate Governance approach of investment performance criteria.

V. **OPPORTUNITY FOR STATEMENTS FROM THE PUBLIC** (Item 6)

There were no statements from the public.

VI. **MOVE TO CLOSED SESSION**

Chairperson Angelides recessed the meeting and reconvened directly into closed session at 9:18 a.m.

VII. **ADJOURNMENT**

Chairperson Angelides announced that while in closed session the Subcommittee discussed workplan issues. There being no further business to conduct, the meeting was adjourned at 9:45 a.m.

James D. Mosman, Chief Executive Officer and Secretary to the
Teachers' Retirement Board

Phil Angelides, Chairperson